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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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08/27/2003

James J. Kernz

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EXAMINER

LEVINE, ADAM L

ART UNIT

PAPER NUMBER

3625

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DELIVERY MODE

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b>		<b>Applicant(s)</b>	
	10/649,039		KERNZ, JAMES J.	
	<b>Examiner</b>		<b>Art Unit</b>	
	Adam Levine		3625	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 14 July 2007.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 59-66,69-78 and 81-93 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 59-66,69-78 and 81-93 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
     Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
     Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### ***Continued Examination Under 37 CFR 1.114***

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on July 14, 2007, has been entered.

### ***Response to Amendment***

Applicant filed amendments and remarks dated July 14, 2007, in reply to the office action mailed March 15, 2007, and the advisory action mailed June 11, 2007. Claims 59,70, and 75 have been amended. Claims 1-16 and 79-80 have been cancelled. Claims 81-93 are new. Claims 67 and 68 were previously withdrawn in response to requirement for election/restriction. Originally filed claims 17-58 were previously cancelled. Claims 59-78 and 81-93 are currently pending. Claims 67 and 68 having been withdrawn, claims 59-66,69-78, and 81-93 are treated in this office action.

### ***Response to Arguments***

Applicant's arguments filed July 14, 2007, have been fully considered but they are not persuasive.

Pertaining to rejections under 35 USC §103(a)

Applicant argues that “assigning a unique identifying indicia” is not present in Paskowitz because Paskowitz is directed at identifying mass produced products while the present application is directed to unique individual items. This is not accurate because Paskowitz is directed at identifying items based on characteristics. The reference teaches identifying items and distinguishing them from each other based on whatever characteristics the seller and buyer choose. The assignment of a unique identifying indicia is based on those characteristics. The use of a mass produced product as an example is therefore not dispositive. If the item is being traded based on certain characteristics then the unique identifying indicia will be based on those characteristics regardless whether it is a unique item or a mass produced one. A recitation of the intended use of the claimed invention must result in a structural difference between the claimed invention and the prior art in order to patentably distinguish the claimed invention from the prior art. If the prior art structure is capable of performing the intended use, then it meets the claim.

With regard to the argument concerning “certificate number,” merely declaring that the unique identifying indicia “is an assigned certificate number” is not distinguishing. It is still a “unique identifying indicia.” The claims do not delineate any functional relationship between the indicia and the certificate number, nor do they claim the certificate or certificate number in any form that gives them function and substance. In fact the certificate itself does not appear in the claims. Where does the number come from? Why is it relevant? To the extent the certificate number is alleged to represent

any patentably distinguishable form or substance, the claims directed to it are incomplete for omitting essential steps.

Examiner cites particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the claims, other passages and figures may apply as well. It is respectfully requested that, in preparing responses, the applicant fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

**1. Claims 59-66,69-78, and 81-93 are rejected under 35 U.S.C. 103(a) as being unpatentable over Paskowitz (Paper #20060904; US Patent No. 6,377,937) in view of Mayer (Paper #20060904; US Patent No. 5,042,650) and further in view of Klearman (US Patent No. 5,311,365).**

Paskowitz teaches a method and system for grading and commoditizing objects, making them trade ready. Paskowitz teaches grading an object based upon a

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predetermined grading scale and generating a grade indicator for the object (see at least abstract, figs.1-6, column 3 lines 20-30, column 6 lines 32-58). Paskowitz teaches commoditizing the object by generating relevant textual trade data for the object and storing the relevant textual trade data in a database in a form for use in generating a trade listing for the object (see at least abstract, figs.3,5; column 1 lines 16-34, column 6 lines 32-58, column 8 lines 32-47, line 65 - column 9 line 9). Paskowitz further teaches:

- performing these steps for a plurality of objects: providing access to the relevant textual trade data in the database to sellers to generate trade listings for the objects (see at least abstract, column 6 lines 32-58); providing access to the trade listings to the sellers and to buyers within an online peer-to-peer trading environment (see at least figs.1,6; column 1 lines 8-14, column 2 lines 50-64).
- assigning a unique identifying indicia to the object: connecting the database to a host computer, connecting a remote terminal to the host computer, sending the unique identifying indicia from the remote terminal to the host computer and retrieving from the database for viewing at the remote terminal the relevant textual or digitized image trade data for the object associated with the unique identifying indicia, providing relevant trade data to at least one online trade enabling facility (see at least fig.2, column 1 lines 8-14, column 3 lines 20-30, 50-59 (retrieving and displaying product information through the internet inherently involves a remote computer retrieving information from a database through a host computer), column 9 lines 48-60. The image or text data is descriptive material and is not functionally involved in the recited steps of the method.

Because it has no functional role in the method it is non-functional descriptive material. This descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703 F.2d 1381 , 1385, 217 USPQ 401, 404 (Fed. Cir. 1983). MPEP 2106). The provision of the data described can occur either in advance or contemporaneous with the trade listing); each of the unique identifying indicia is an assigned unique certificate number having a predetermined format (Please note: the format of the identifying indicia is descriptive material and is not functionally involved in the recited steps of the method. Because it has no functional role in the method it is non-functional descriptive material. This descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703 F.2d 1381 , 1385, 217 USPQ 401, 404 (Fed. Cir. 1983). MPEP 2106).).

- the object is at least one of a coin, a stamp, a trading card, currency and a document: the stored relevant textual trade data is at least one of a plurality of item specific attributes including a certificate number, a year of mintage indicator, a Mint branch indicator, a denomination indicator, type designation, grade indicator, and grading firm identifier (Please note: in the context of this invention, the nature of the objects only affects the information presented within the descriptive material. It has no actual role in the method. The description of the object is therefore descriptive material and is not functionally involved in the recited steps of the method. Because it has no functional role in the method it is non-functional descriptive material. This descriptive material will not distinguish

the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983). MPEP 2106).

- generating trade listings: from the stored relevant textual trade data in at least one trade enabling marketplace computer and providing access to the trade listings to the sellers and to buyers of the objects through computers connected to the marketplace computer (see at least abstract, figs. 1, 3, 5, 6; column 1 lines 8-34, column 2 lines 50-64, column 6 lines 32-58, column 8 lines 32-47, line 65 - column 9 line 9).

Paskowitz teaches all of the above as noted and teaches a) associating the grade indicator with the object, b) assigning a unique identifying indicia to each of the objects, and c) a method of communicating data concerning the objects between buyers and sellers. Paskowitz however does not disclose encapsulating objects, associating the grade indicator with the object in a substantially permanent manner by encapsulating the object and a visual representation of the grade indicator in a tamper-evident holder and associating the assigned unique identifying indicia with the object encapsulated in the tamper-evident holder in a substantially permanent manner, printing the assigned associated unique identifying indicia onto a label and securing the printed label within the tamper-evident holder. Mayer teaches a) associating the grade indicator with the object, b) assigning a unique identifying indicia to each of the objects, and c) a method of communicating data concerning the objects between buyers and sellers. Mayer also teaches encapsulating objects, associating the grade indicator with the object in a substantially permanent manner by encapsulating the object and a visual



representation of the grade indicator in a tamper-evident holder, assigning a unique identifying indicia to the object and associating the assigned unique identifying indicia with the object encapsulated in the tamper-evident holder in a substantially permanent manner, printing the assigned associated unique identifying indicia onto a label and securing the printed label within the tamper-evident holder, indicia being visibly conspicuous thereby indicating that the objects are trade ready (see at least abstract, figs.1-5). Mayer further teaches:

- providing a substantially planar upper enclosure element for receiving at least partially a coin retaining insert: (see at least abstract, figs.1-5).
- providing a substantially planar lower enclosure for receiving at least partially a coin retaining insert: (see at least abstract, figs.1-5).
- providing a coin retaining insert adapted for close fitting between the upper and the lower enclosure element: the coin retaining insert having an appropriately dimensioned aperture for confining the coin: (see at least abstract, figs.1-5).
- mounting the coin within the aperture of the coin retaining insert: (see at least abstract, figs.1-5).
- confining the insert including the coin between the upper and lower enclosure elements: (see at least abstract, figs.1-5).
- sealing the enclosure elements using sonic welding means: (see at least abstract, column 3 lines 51-68).

Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method and system of Paskowitz to include encapsulating

objects, associating the grade indicator with the object in a substantially permanent manner by encapsulating the object and a visual representation of the grade indicator in a tamper-evident holder, assigning a unique identifying indicia to each of the objects and associating the assigned unique identifying indicia with the corresponding one of the objects encapsulated in the holder in a substantially permanent manner, printing the assigned associated unique identifying indicia onto a label and securing the printed label within the tamper-evident holder, the indicia being visibly conspicuous, as taught by Mayer, in order to verify the authenticity and value of the object being sold or traded, increasing confidence in the objects traded through the method and system and correspondingly increasing the use of the method and system in commerce.

Paskowitz in view of Mayer teach all of the above as noted and teach a) buying and selling objects in commerce, b) examining an object for the purpose of assigning a value, and c) associating a grade indicator with an object, but do not disclose preparing an object for grading and encapsulation by establishing close physical proximity to the object and enabling visual inspection of the object utilizing at least one of a jeweler's loupe and a magnifying glass, and generating a grade indicator for the object by evaluating a physical condition of the object including characteristics upon which the object is to be graded and visually examining the characteristics of the object to determine a grade of the object based upon a predetermined grading scale. Klearman teaches a) buying and selling objects in commerce, b) examining an object for the purpose of assigning a value, and c) associating a grade indicator with an object, and also teaches preparing an object for grading and encapsulation by establishing close

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physical proximity to the object and enabling visual inspection of the object utilizing at least one of a jeweler's loupe and a magnifying glass, and generating a grade indicator for the object by evaluating a physical condition of the object including characteristics upon which the object is to be graded and visually examining the characteristics of the object to determine a grade of the object based upon a predetermined grading scale (see at least abstract, column 1 lines 5-44). Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method and system of Paskowitz in view of Mayer to further include preparing an object for grading and encapsulation by establishing close physical proximity to the object and enabling visual inspection of the object utilizing at least one of a jeweler's loupe and a magnifying glass, and generating a grade indicator for the object by evaluating a physical condition of the object including characteristics upon which the object is to be graded and visually examining the characteristics of the object to determine a grade of the object based upon a predetermined grading scale, as taught by Klearman, in order to create value in the items to be bought and sold in commerce, without which Paskowitz in view of Mayer would not be able to function in commerce.

### ***Conclusion***


Any inquiry concerning this communication or earlier communications from the examiner should be directed to Adam Levine whose telephone number is 571.272.8122. The examiner can normally be reached on M-F, 8:30-5:00 Eastern.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith can be reached on 571.272.6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Adam Levine  
Patent Examiner  
August 16, 2007

  
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